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FISCAL IMPACT STATEMENT

LS 7789

BILL NUMBER: HB 1821

NOTE PREPARED: Apr 9, 2007

BILL AMENDED: Apr 9, 2007

SUBJECT: Licensure of Occupational Therapists and Criminal Background Checks of Certain Entities.

FIRST AUTHOR: Rep. Klinker

FIRST SPONSOR: Sen. Miller

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: (Amended) ***Criminal Background Checks:*** The bill requires a licensed home health agency and licensed personal services agency to apply for a national criminal background check for employees (current law requires a limited criminal history check).

Licensure of Occupational Therapists: The bill requires the licensure of occupational therapists (current law requires certification). The bill requires an occupational therapist assistant to practice under the direct supervision of an occupational therapist.

Physician or Chiropractor Referral: The bill provides that an occupational therapist may not provide certain services unless the patient has been referred by a physician or chiropractor.

Rules: The bill requires the Board to approve a nationally recognized examination for occupational therapy licensure and establish the passing score needed to obtain a license and an occupational therapy assistant certificate. The bill requires the Occupational Therapy Committee to propose rules to the Medical Licensing Board (the Board) concerning the continuing competency requirements for the renewal of an occupational therapy license or an occupational therapy assistant certificate.

Effective Date: July 1, 2007.

Explanation of State Expenditures: ***Criminal Background Checks:*** Currently, the Indiana State Police (ISP) are responsible for conducting limited criminal history background checks for home health and personal services agencies. Under the bill, the ISP would be required to conduct a national criminal history background check. The ISP would experience an indeterminable change in workload as a result of this

provision.

Licensure of Occupational Therapists: Licensure of occupational therapists would present minimal impact to state expenditures, with respect to administration. The bill would allow active occupational therapist certifications to be grandfathered to licenses on July 1, 2007. The Professional Licensing Agency would not have to send pocket cards and wall licenses to the grandfathered practitioners until the occupational therapist licensing renewal period beginning November 1, 2008. Applications (state form 43826) would have to be amended to reflect the change from certification to licensure. However, the current application is readily available online at the Professional Licensing Agency's website. Therefore, printing expense for new applications should be minimal.

Rules: If the Board required additional meetings to adopt the rules required by the bill, additional expenditures would be required to cover members per diem and travel expenses. The Board is scheduled to meet 11 times in 2007.

Explanation of State Revenues: Criminal Background Checks: This bill requires home health and personal services agencies to obtain a national criminal history background check for an employee not more than three business days after the date an employee starts employment. Under current law, home health and personal services agencies are required to obtain a limited criminal history check on new employees.

The Indiana Office of Technology and the ISP report that 75% of persons obtain a limited criminal history check through the Internet (AccessIndiana), and the remaining 25% obtain the check in person or through the mail. Fees vary for limited criminal history background checks and are dependent on the method in which the information is obtained. In addition, home health agencies which are nonprofit organizations and have been in existence for at least ten years are exempt from paying limited criminal history background check fees. Revenue from fees collected is deposited into the state General Fund and the IOT Portal Fund (see table below). The IOT reports that the Portal Fund is used to maintain and modify AccessIndiana webpages.

Limited Criminal History Background Check Fees				
Type of Fee	Information Obtained Through	Amount of Fee	Amount of Fee Deposited into State General Fund	Amount of Fee Deposited into IOT Portal Fund
AccessIndiana (Subscriber)	AccessIndiana Website	\$15	\$7	\$8
AccessIndiana (Non-Subscriber)	AccessIndiana Website	\$16.32	\$7	\$9.32
Mail/In-Person	Mail; In-Person	\$7	\$7	\$0
Full Exemption	AccessIndiana Website; Mail; In-Person	\$0	\$0	\$0

A national criminal history background check costs \$39, \$24 of which is given to the federal government; the remaining \$15 is deposited into the state General Fund.

Fiscal Impact: The number of persons employed by home health and personal services agencies is not known. The number of home health agencies which would be exempt from fees is not known.

As proposed, the state would likely experience an increase in revenue. Actual increases would be dependent on the type of limited criminal history check fee paid (would range between \$0 for certain home health agencies and \$16 for agencies/employees requesting the information online without an AccessIndiana subscription) by a home health, or personal services, for each employee and the amount of that fee which is deposited into the state General Fund, and the difference between that fee and the fee paid for a national criminal history check (\$15 of the fee would be deposited into the state General Fund).

Note: The Indiana State Department of Health (ISDH) reports that it currently is not licensing personal services agencies. The bill modifies the definition of a qualified entity to include a licensed personal services agency. A qualified entity is able to contact the ISP to request a national criminal history background check. It is not known how this factor will influence the requirements of the bill. Personal services agencies may not be able to obtain national criminal history background checks for employees because they are not licensed.

Background Information: A Limited Criminal History Background Check means information with respect to any arrest or criminal charge, which must include: (1) a disposition; and (2) a photograph of the person who is the subject of the limited criminal history, if a photograph is available. The term includes information about any arrest or criminal charge that occurred less than one year before the date of a request even if no disposition has been entered. A limited criminal history background check is obtained through the Indiana State Police (ISP).

A National Criminal History Background Check means the criminal history record system maintained by the Federal Bureau of Investigation based on fingerprint identification or any other method of positive identification. A national criminal history background check is also obtained through the ISP.

Licensure of Occupational Therapists: The bill does not specify that existing fees for occupational therapist certification would be changed for licensing. Any fee changes that could result from this bill would be determined by rule. It is possible that the requirement of continuing competency could initially reduce the number of license renewals. If fewer licenses are issued, then fee increases could be necessary to maintain current revenue levels.

Temporary Permits- Under the bill, temporary permits issued would be limited to a maximum validity of 180 days.

Background: Current certification and renewal fees for occupational therapists are \$100. Renewals occur biennially. Over the FY 2002-2003 biennium approximately \$338,300 in revenue was collected from fees. During the FY 2004-2005 biennium approximately \$377,700 in fees were collected. FY 2006 fees totaled \$47,270.

The Professional Licensing Agency reports there were 2,543 occupational therapists and 896 occupational therapist assistants with active certifications as of December 2006. Bureau of Labor Statistics employment data indicates, as of May 2005, there were about 2,740 occupational therapists and assistants employed in Indiana.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Medical Licensing Board, Occupational Therapist Committee; Indiana State Police; Indiana Office of Technology.

Local Agencies Affected:

Information Sources: Mary Azbill, Indiana State Department of Health; Chris Sheets, Indiana State Police; Chris Cotterill, Indiana office of Technology; Sherry Beck, Indiana State Police; Fred Sargeson, AccessIndiana; Doug Shelton, Indiana State Police; Professional Licensing Agency, U.S. Bureau of Labor Statistics, *Indiana Handbook of Taxes, Revenues, and Appropriations*.

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